

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1685-01
Bill No.: HB 679
Subject: State Employees; Bone Marrow or Human Organ Donor
Type: Original
Date: March 5, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Various State Funds	\$0 to (\$42,815)	\$0 to (\$51,377)	\$0 to (\$51,377)
Total Estimated Net Effect on <u>All</u> State Funds	\$0 to (\$42,815)	\$0 to (\$51,377)	\$0 to (\$51,377)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health** (DOH) assume the estimated number of state employees who may utilize this benefit would be less than eight per year. This is based on the actual number of living donors in the state and a percent representation of state employees. State employees (average of 60,000) represent only 1% of the state's entire population (5,468,000 in 1999). In 1999, there were 122 living kidney donors and 9 living liver donors in the entire state (From United Network for Organ Sharing (UNOS) Organ Procurement Transplant Network (OPTN) data as of 8/5/00). The Heart of America Bone Marrow Registry reports 14 Missouri residents were marrow donors in 2000. Assuming 150 donors per year and the same 1% population distribution, only 1.5 state employees would donate annually. Even if the percentage would increase to 5% of the total donors, it would mean only 7.5 state employees per year. It is anticipated that no more than one employee, at the DOH would be eligible for this leave within a five-year time frame. Therefore, officials from the DOH assume the proposed legislation would have no fiscal impact on their agency.

Officials from the **Office of Administration - Division of Personnel** (COA) noted that according to information provided by the Missouri Department of Health, about 20 to 30 employees out of 60,000 may donate. Officials used 13 bone marrow donors and 12 organ donors per year to calculate the costs of this proposal. Officials also used the average state employee hourly rate of \$13.38.

For bone marrow donors, COA assumes a cost of \$6,958 per year (5 days x 13 employees = 65 days x 8 hours = 520 hours x \$13.38 per hour).

For transplants, COA assumes a cost of \$38,534 per year (30 days x 12 employees = 360 work days x 8 hours = 2,880 hours x \$13.38 per hour).

Therefore, \$6,958 and \$38,534 equal \$45,492. \$45,492 times 33.33% for fringe benefits equals \$15,162 in fringe benefits. \$45,492 plus \$15,162 equals an estimated annual cost of \$60,654.

Additionally, officials noted that currently state employees use paid sick leave when they are donating.

Oversight assumes a range of cost from \$0 to (\$51,377) annually depending on the extent to which employees utilize sick and annual leave balances. This range is reflective of the estimated annual costs related to transplants only since the leave granted is 30 workdays. Payment for time off in excess of accrued balances would be considered additional cost to the state.

ASSUMPTION (continued)

AK:LR:OD (12/00)

Officials from the **Department of Conservation** assume the proposed legislation would have impact on MDC funds of less than \$100,000 annually.

Officials from the **Department of Transportation** assume the proposed legislation will have a minor fiscal impact on the department. Any costs or loss of productivity as a result of this legislation should be absorbed by the department's current appropriations and staff.

Officials from the **City of Kansas City** noted that the city currently provides a leave of absence mechanism for employees that is not restricted to bone marrow or organ donation and is not strictly limited to thirty (30) days. Officials also noted that this proposal appears to provide benefits greater than those provided by the Family Medical Leave Act. Officials assume that the estimated cost to the city for enactment of this legislation could amount to approximately \$30,000 - \$50,000, which would include salary and benefits, overtime and personnel replacement costs. **Oversight** notes that the Family Medical Leave Act would pertain to more employees than the number of employees that this proposed legislation would pertain to.

Officials from the **City of St. Louis** assume the proposed legislation would have little or no fiscal impact on their city.

In reference to impact on local government, **Oversight** assumes a range of \$0 to (Unknown). Small local government entities affected by the provisions of this proposal may have to hire additional personnel to replace those employees on leave to serve as donors.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
VARIOUS STATE FUNDS			
<u>Cost</u>			
Personal Services	\$0 to (\$32,112)	\$0 to (\$38,534)	\$0 to (\$38,534)
Fringe Benefits	<u>\$0 to (\$10,703)</u>	<u>\$0 to (\$12,843)</u>	<u>\$0 to (\$12,843)</u>
Estimated Net Effect on			
VARIOUS STATE FUNDS	<u>\$0 to (\$42,815)</u>	<u>\$0 to (\$51,377)</u>	<u>\$0 to (\$51,377)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
LOCAL GOVERNMENT			

FISCAL IMPACT - Local Government

	FY 2002 (10 Mo.)	FY 2003	FY 2004
<u>Cost</u> - Additional Personnel	<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</u> <u>(Unknown)</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal requires that any employee of the State of Missouri or political subdivisions be granted a leave of absence of five working days for a bone marrow donation and 30 working days for a human organ donation. The employee is to receive his or her base state pay during the leave of absence and is not to be penalized for obtaining leave.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Conservation
Department of Health
Department of Transportation
Office of Administration - Division of Personnel
City of Kansas City
City of St. Louis

NOT RESPONDING: Cities of St. Joseph, Springfield and St. Charles; Director of Administration - St. Louis County; Jackson County Executive; County Commissions of: Greene, Callaway, Cape and Platte



Jeanne Jarrett, CPA
Director
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